Working at home: An update

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Various Statistics Canada surveys have suggested strong growth in the number and proportion of employees doing some or all of their regularly scheduled work at home during the 1990s.[1] The estimated number (and incidence) of teleworkers rose from just a little over 600,000 (6%) in 1991 to 1 million (9%) in 1995, and to 1.4 million (10%) in 2000. With continuing growth in employment, growing computer use both at home and at work, advancements in information and telecommunications technology, and lobbying by telework advocacy groups, one would have expected the trend to continue into the 2000s.[2] Instead, virtually no increase has been seen. This note uses the 2000 and 2005 General Social Survey (see *Data source)* to examine changes in telework by sex, age, education, occupation, industry, and marital status. The focus is on employees because the self-employed have relatively more freedom with respect to workplace location. However, the decision to allow a telework arrangement rests on negotiations between employee and employer (see *Main reason for working at home*).

Stall in telework numbers and incidence

The number and incidence of teleworkers appear to have levelled off in recent years—actually dipping from 1,426,000 (10.2%) in 2000 to 1,322,000 (9.8%) in 2005 (Table). The stall is surprising in light of past trends (see *Possible impediments to telework growth*).

With few exceptions, the fall-off in telework popularity between 2000 and 2005 was pervasive. It occurred for male and female employees alike, irrespective of marital status. However, employees aged 55 and over recorded a rise in incidence over the period, as did those without a high school diploma, and those with some college or university education but no diploma or degree.

Data source

The information in this update is from the 2000 and 2005 **General Social Survey.** In 2000, a representative sample of 25,000 non-institutional respondents aged 15 and over in all provinces were surveyed about their use of computers and the Internet. Data were collected over 12 months from January to December 2000. In 2005, 20,000 respondents used a 24-hour diary to record the time they spent on various activities.

In most major industries, the incidence remained little changed or declined slightly. Notable declines occurred in business, building and other support, and in public administration.[3] In both 2000 and 2005, employees in professional, scientific and technical services, and in educational services recorded the highest incidence of telework—roughly one-quarter. Manufacturing had one of the lowest rates (about 6% in 2005).

The incidence in most of the major occupational groups also remained about the same or declined slightly. Just as in 2000, employees in social sciences and education had the highest incidence in 2005 (29%). Sales and service occupations registered a low incidence (6%).

Main reason for working at home

When employees in 2005 were asked the main reason for working at home, approximately a quarter said it was a requirement of the job; one-fifth said conditions were better at home; one-sixth said the arrangement helped save money; and one-twelfth said it helped them in caring for children and other family members and in meeting personal obligations.

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Table People working from home, by selected characteristics

	Employees				Self-employed			
	2000		2005		2000		2005	
	'000	%	'000	%	'000	%	'000	%
Both sexes	**1,426**	**10.2**	**1,322**	**9.8**	**1,369**	**49.5**	**1,554**	**54.6**
Men	782	10.5	744	10.5	826	45.9	949	51.1
Women	644	9.8	578	9.1	544	56.2	605	61.3
Age								
15 to 24	137	4.6	120	4.9	60	42.3	44[E]	30.3[E]
25 to 54	1,174	11.9	1,025	10.8	1,046	50.0	1,141	56.5
55 and over	114	9.8	177	11.7	263	49.3	368	54.2
Education								
Some high school or less	86	3.9	78	4.8	166	37.9	125	37.2
High school diploma	147	5.5	121	5.2	202	42.1	174	43.8
Some postsecondary	189	7.9	191	8.7	204	52.6	232	56.3
Diploma or certificate	347	9.3	254	6.8	368	53.3	478	59.2
Bachelor's degree or more	655	22.6	674	18.9	426	56.3	540	61.9
Marital status								
Married, common-law	1,009	12.1	968	11.7	1,065	50.7	1,212	55.3
Separated, divorced, widowed	99	9.8	108	9.9	119	56.1	130	56.3
Single (never married)	304	7.0	247	6.1	159	39.8	212	50.1
Industry								
Agriculture	F	F	26[E]	24.1[E]	166	65.0	151	66.5
Forestry, fishing, mining, oil and gas	28	9.6	34[E]	12.3[E]	27	35.5	19[E]	45.2[E]
Utilities	F	F	16[E]	12.7[E]	F	F	F	F
Construction	44	7.0	39[E]	5.8[E]	114	41.6	136	42.8
Manufacturing	164	7.4	99	5.8	70	47.2	61	44.9
Trade	149	7.1	162	7.8	141	43.1	156	49.7
Transportation and warehousing	50	8.2	41[E]	6.5[E]	36	22.8	32[E]	26.7[E]
Finance, insurance, real estate and leasing	107	14.0	90	11.3	105	61.9	164	67.8
Professional, scientific and technical	155	22.9	174	21.9	244	68.7	285	66.4
Business, building and other support	44	11.0	19[E]	4.5[E]	68	37.4	70	40.5
Educational services	242	23.4	239	23.2	33	53.7	44	63.8
Health care and social assistance	107	8.6	125	8.7	127	63.2	137	57.3
Information, culture and recreation	90	12.9	92	13.7	87	64.2	120	69.4
Accommodation and food services	36	3.6	22[E]	2.4[E]	35	36.1	36[E]	41.4[E]
Other services	62	12.9	69	13.4	77	35.1	94	46.5
Public administration	95	10.5	66[E]	7.5[E]	F	F	F	F
Occupation								
Management	229	25.4	196	19.8	222	43.6	155	40.7
Business, finance and administrative	301	11.7	234	9.2	191	64.7	272	72.3
Natural and applied sciences	175	18.4	150	14.6	99	64.5	101	57.1
Health	28	4.5	35[E]	4.5[E]	40	39.2	55	42.3
Social science, education	271	26.4	305	28.5	76	70.0	83	58.9
Art, culture, recreation and sport	52	16.5	60[E]	16.1[E]	134	65.4	184	70.2
Sales and service	220	6.1	211	6.2	246	48.7	337	55.4
Trades, transport and equipment operators	74	4.0	64[E]	3.7[E]	110	29.7	127	34.3
Unique to primary industry	20	5.4	35[E]	13.2[E]	182	54.4	169	61.9
Unique to processing, manufacturing and utilities	35	2.9	23[E]	2.6[E]	32	38.8	36[E]	54.5[E]

Source: Statistics Canada, General Social Survey

Possible impediments to telework growth

Several things could account for the stall in telework growth. An obvious possibility is that continuing re-evaluation of the advantages and disadvantages of telework may have lowered its attractiveness for both employees and employers (see *The pros and cons of working at home*). For example, growth in employer-assisted day-care programs (including on-site day-care centres) and improved transportation networks may have helped reduce the need to work at home. Also, the growing need for greater information security, especially after 9/11, as well as for closer communication among workers may make telework less desirable for employers. Another possibility is continuing advancements in information technology. The use of laptops, BlackBerries and mobile phones, and the growing proliferation of communication centres may facilitate work from many other places, such as cars, airports, railway and bus terminals, and satellite offices.

Pros and cons of working at home

Working at home has both advantages and disadvantages. For the employee, this arrangement allows more flexibility to schedule activities; makes it easier to balance work and personal or family demands; reduces expenses for transportation, clothing and food; and cuts commuting time. On the negative side, working at home may reduce one's social circle, stifle career advancement, or even increase workload.

For the employer, a work-from-home arrangement may increase employee productivity, reduce expenses for work space, improve recruitment and retention of employees, and reduce absenteeism. Among the most commonly cited disadvantages are problems related to co-ordination and communication, lack of control over quality of work, and problems associated with information security.

Teleworkers put in relatively few hours at home

The majority of teleworkers put in just a few hours of work (10 or less) at home each week, but the proportion doing so in 2005 was higher than in 2000 (71% versus 65%). In both years, only 3% of teleworkers put in over 40 hours. The average in 2005 was 17 hours.

Summary

Contrary to expectation, the strong growth in telework during the 1990s was not sustained in the 2000s. Indeed, the number of employees doing some or all of their regularly scheduled work at home stalled at 1.3 to 1.4 million. The overall incidence remained unchanged at about 10%. The reasons for the stall, which was widespread, are unclear. It could have been partly caused by employees and employers re-evaluating the advantages, disadvantages and effectiveness of this type of work arrangement. In addition, continuing developments in information and telecommunications technology now permit many employees to work effectively from many places other than home.

Perspectives

Notes

1 Estimates of the number of people working at home date back to the 1971 Census. Since then, the Survey of Work Arrangements (SWA), the Survey of Labour and Income Dynamics, the General Social Survey (GSS), and the Workplace and Employee Survey have all collected data on the subject. However, these surveys differ in question wording, reference period, and sample design. Indeed, for some surveys, such as the census, the questions were not identical in all years. As a result, no consistent time series exist, making it impossible to be precise on trends over the past three decades. Nevertheless, the SWA 1991 and 1995, and the GSS 2000 and 2005 are fairly comparable (see Akyeampong and Nadwodny 2001 for questions and estimates from the various surveys).

2 Among the better-known telework advocacy groups are the Canadian Telework Association, a non-profit, telework-promoting organization, and Innovations Canada, a telework and flexible-work consulting organization.

3 The decline of telework in public administration is particularly puzzling, since the federal Treasury Board actively supported this type of work arrangement in a policy statement dated December 6, 1999.

Reference

Akyeampong, Ernest B. and Richard Nadwodny. 2001. "Evolution of the Canadian workplace: Work from home." *Perspectives on Labour and Income*. Vol 2, no. 9. September. Statistics Canada Catalogue no. 75-001-XIE. http://www.statcan.ca/english/freepub/75-001-XIE/0090175-001-XIE.html (accessed June 13, 2007).